



## RESOLUTION

URGING THE HAWAII PUBLIC UTILITIES COMMISSION AND THE HAWAIIAN ELECTRIC COMPANY, INC., TO EXTEND THE MORATORIUM ON ELECTRIC SERVICE DISCONNECTIONS FOR NON-PAYMENT FOR A REASONABLE PERIOD OF TIME AFTER THE STATE HAS REOPENED TO TOURISM OR THE DECLARATION OF THE STATE OF EMERGENCY HAS ENDED.

WHEREAS, the Hawaii Public Utilities Commission ("Commission") regulates all public utilities in the State of Hawaii ("State") and must approve any changes in a utility company's proposed rates and charges and terms of service that may vary from the utility company's approved and posted tariffs; and

WHEREAS, the Hawaiian Electric Company, Inc. ("HECO"), is a public utility that provides electric power on Oahu and is under the regulation and oversight of the Commission; and

WHEREAS, on April 23, 2020, the Department of Commerce and Consumer Affairs, Division of the Consumer Advocacy ("Consumer Advocate") filed a letter with the Commission requesting that the Commission file an order to temporarily suspend the authority of regulated companies ("Utilities" or "Utility") to: (1) terminate or disconnect services due to non-payment; and (2) assess charges or fees that might be unreasonably assessed, including the accrual of interest on outstanding balances, during the ongoing COVID-19 pandemic; and

WHEREAS, the Consumer Advocate's letter further requested the Commission to establish guidelines that include: (1) when it is appropriate for the Utilities to resume the authority to terminate or disconnect utility services ("termination authority") due to non-payment, assess late fees and charges or any other fees and charges that might be unreasonably assessed during the pandemic; and (2) procedures that will govern how the resumption and collection of such fees and charges will proceed; and

WHEREAS, in response to the Consumer Advocate's request, the Commission issued Order No. 37125 on May 4, 2020, finding that due to the extraordinary circumstances related to COVID-19, there was good cause to grant the Consumer Advocate's request, and that the Commission would determine the appropriate length of the suspension of the termination authority and issue an order updating the Utilities regarding the length of the suspension prior to May 31, 2020; and

WHEREAS, Order No. 37125 further provided that the Utilities could establish regulatory assets, or accounts, to record costs resulting from the suspension of



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disconnections, which may be used in future proceedings for the recovery of such assets by the Utilities; and

WHEREAS, Order No. 37125 required any Utility that booked regulatory assets to file quarterly reports beginning July 30, 2020, detailing the amounts of the costs incurred and any savings realized, and include: (1) the Utility's updated financial condition; and (2) a list of measures the Utility has in place to assist its customers during the COVID-19 emergency situation, and if the measures have been since terminated, a short description of the Utility's rationale for terminating the measures ("quarterly reports"); and

WHEREAS, through Order No. 37153, issued on May 28, 2020, and Order No. 37189, issued on June 26, 2020, the Commission extended the suspension of the Utilities' disconnection of service authority and the suspension of any and all rules and provisions of individual utility tariffs that prevent or condition re-connection of disconnected customers through June 30, 2020 and July 31, 2020, respectively; and

WHEREAS, Order No. 37153 and Order No. 37189 also required quarterly reports for any Utility that booked regulatory assets under any of the Commission's orders; and

WHEREAS, Order No. 37189 further provided that Utilities could elect to suspend disconnections beyond July 31, 2020, and book regulatory assets related to the costs associated with that suspension through September 1, 2020, provided that certain details are included in the Utilities' quarterly reports; and

WHEREAS, in consideration of Order No. 37189, HECO announced on June 29, 2020, that it had elected to extend its moratorium on disconnections for non-payment through September 1, 2020, and urged customers having difficulty paying their bills to contact the company well before September to consider payment options; and

WHEREAS, on June 24, 2020, Governor David Ige ("Governor") announced that beginning August 1, 2020, a passenger testing program would be implemented to allow trans-Pacific travelers who test negative for COVID-19 within 72 hours of their flight to Hawaii, undergo a thermal screening, and fill out a health questionnaire, to bypass the mandatory 14-day quarantine that was established by the Governor's Second Supplementary Proclamation issued on March 21, 2020; and

WHEREAS, the pre-travel passenger testing program is intended to help reopen Hawaii's economy by allowing visitors back into the State without the serious disincentive of lengthy self-quarantining, and is an intermediate step that, while stopping



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short of unconditionally lifting the 14-day quarantine of trans-Pacific travelers, will provide a means for passengers arriving in Hawaii to avoid the strict and lengthy quarantine process and reopen Hawaii's tourist industry; and

WHEREAS, however, on July 13, 2020, the Governor announced that the launch of the pre-travel passenger testing program would be delayed until September 1, 2020 due to a steady increases in the number of infections in the State occurring in early July, and the sharp increases in the numbers of infections in many mainland states during that period; and

WHEREAS, the impact of the COVID-19 pandemic upon Hawaii's economy has been devastating, with the State Department of Labor and Industrial Relations, Unemployment Insurance Division reporting that as of July 16, 2020, the State's unemployment rate for June 2020 remains high at 13.9 percent, with 254,995 jobless claims having been filed since the onset of the COVID-19 pandemic in March 2020; and

WHEREAS, KITV4 reported on July 17, 2020 that based on a comparative study done of the 50 states and the District of Columbia, Hawaii was ranked the third worst state for unemployment rate recovery; and

WHEREAS, the Sierra Club of Hawaii requested HECO to extend its moratorium on electricity shut offs and implement bill forgiveness measures for at least six months after the reopening of the visitor industry, noting that many residents are receiving higher electric bills due to the combined effects of a lag in the HECO's meter reading during the COVID-19 pandemic and increased residential electrical usage while many workers and students work or attend schooling remotely from home; and

WHEREAS, the City Council finds that in light of the State's unprecedented high unemployment rate, the delayed reopening of Hawaii's economy and tourism industry, and the increase in residential electric bills, HECO's customers may need additional relief or protection from service disconnections beyond HECO's current elected suspension date of September 1, 2020; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it urges the Hawaii Public Utilities Commission and the Hawaiian Electric Company, Inc., to extend the moratorium on disconnections for non-payment to beyond September 1, 2020, as had been directed by Commission Order No. 37189; and

BE IT FURTHER RESOLVED that the Council urges that the moratorium on electric service disconnections or terminations for non-payment continue for a reasonable period of time following the reopening of the State to tourism (i.e. when



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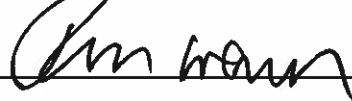
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visitors have the opportunity to legally bypass the mandatory 14-day self-quarantine) or the end of the declared state of emergency, whichever is earlier, in order to provide HECO's customers sufficient time to bring their electric payments current; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Governor, the Chair of the Hawaii Public Utilities Commission, the Executive Director of the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy, the President of the Hawaiian Electric Company, Inc., and the Director, Regulatory Non-rate Proceedings, Hawaiian Electric Company, Inc.

INTRODUCED BY:

  
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DATE OF INTRODUCTION:

**AUG 4 2020**

Honolulu, Hawaii

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Councilmembers

CITY COUNCIL  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII  
CERTIFICATE

RESOLUTION 20-183

Introduced: 08/04/20 By: RON MENOR

Committee: COUNCIL

Title: RESOLUTION URGING THE HAWAII PUBLIC UTILITIES COMMISSION AND THE HAWAIIAN ELECTRIC COMPANY, INC., TO EXTEND THE MORATORIUM ON ELECTRIC SERVICE DISCONNECTIONS FOR NON-PAYMENT FOR A REASONABLE PERIOD OF TIME AFTER THE STATE HAS REOPENED TO TOURISM OR THE DECLARATION OF THE STATE OF EMERGENCY HAS ENDED.

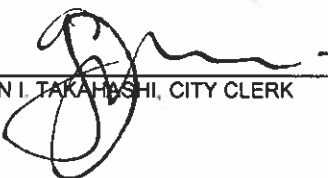
Voting Legend: \* = Aye w/Reservations

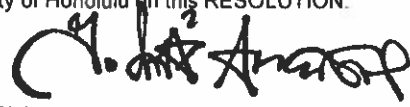
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08/19/20 COUNCIL RESOLUTION 20-183 WAS ADOPTED.  
9 AYES: ANDERSON, ELEFANTE, FUKUNAGA, KOBAYASHI, MANAHAN, MENOR,  
PINE, TSUNEYOSHI, WATERS.

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I hereby certify that the above is a true record of action by the Council of the City and County of Honolulu on this RESOLUTION.

  
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GLEN I. TAKAHASHI, CITY CLERK

  
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IKAIKA ANDERSON, CHAIR AND PRESIDING OFFICER